

Press Release

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Coronavirus – Turnover halved, social distancing now a priority (Agoria)

Almost three weeks after the first measures against the coronavirus were taken in our country, the turnover of the technology companies has been halved compared to March of last year. This is shown by a new survey of 190 technology companies conducted by the technology federation Agoria. Marc Lambotte, CEO of Agoria: ‘If you notice that the drop in turnover is caused by a decline in demand and reduced availability of employees, it is clear that the measures of social distancing are strictly necessary to keep our economy running. This is the only way to contain the virus and to keep our healthcare and economy afloat. So I call on companies and people at home to keep a distance and save our jobs. We are all in the same boat, and must all assume our responsibility.’

Marc Lambotte insists that companies must comply with the imposed measures. “Keeping a sufficient distance (1.5 metre) is the rule, which may be departed from only in essential sectors. But even in those sectors, every possible effort must be made to maintain that distance nonetheless,” he says. Although many companies comply with these rules, not all of them will be able to find a solution to guarantee the metre and a half distance in the short term.

Lambotte: ‘We are going to help companies so that they can work in a safe and productive manner to the maximum, with respect for social distancing, in order to continue and/or to relaunch their production. In so doing, we will focus fully on how we can learn from each other. This is important because social distancing is expected to become a permanent fixture in the coming months, for which a correct risk analysis and solution will have to be found without fail.

Turnover: only €5 out of last year’s €10 on average

The turnover of companies is declining primarily because of a drop in demand and the number of employees available. The companies generate on average 49.7% of their turnover compared with the same period last year. There are major differences between industries nonetheless. For example, the materials sector, such as producers of non-ferrous metals, foundries and manufacturers of metal products, still generate 73.2% of the normal turnover. Marc Lambotte: ‘This is because continuous production companies with uninterrupted production processes, are one of the key sectors because they find it difficult to shut down their facilities’.

The digital and telecom sector follows with 66.1%. ‘They manage to keep going there thanks to teleworking. Things are worse in the manufacturing industry, which comprise companies that supply machines, components and solutions for the production apparatus of the processing and manufacturing industry. They generate only 15.2% of last year’s turnover. The aerospace, security and defence sector clocks in at only 7%. Nearly 60% of companies cannot yet estimate what the loss of turnover will be for the rest of the year. This is also because they first have to consider whether it will be possible to continue production in compliance with the social distancing rules,’ Mr Lambotte says.

Six times more people at home due to illness than to look after the children

Absenteeism is just over 10% in the technology sector, especially in the manufacturing industry where illness is almost the only reason. Childcare is not a relevant factor for absenteeism. Only 1.6% of employees are absent on average to look after the children. In 74% of the companies, no one is absent because of the children. Marc Lambotte: ‘This can be a problem at times in industrial companies that cannot resort to teleworking as easily. In 30% of industrial companies, up to 10% of the staff are absent to look after the children.’

On average, 9.8% of employees are ill at home. This is six times more than the number of people who stay at home to look after the children. In 54% of industrial companies, up to 10% of the people are ill. In 60% of service companies,

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up to 10% of the people are ill. In the aerospace, security and defence sector, 19.7% of people are ill; in the digital and telecom sector only 3.2%.

Six out of ten people work 'from their digs'

Working from home has almost doubled. Before the outbreak of the virus, 33% of the people worked from home occasionally, but now 62% of the people work 'from their digs'. In the digital industry, for instance, this figure rises from 65% to 92%, in the materials sector from 2% to 40% and in the aerospace industry from 7% to 55%.

Finally, despite the current crisis, it appears that half of the technology companies are still recruiting and that 94% of the companies are not yet considering reducing their workforce. Half of the workers in the sector are on temporary unemployment, but there are major differences between sectors. For instance, 80% of the people in manufacturing are temporarily unemployed, at this time, compared with only 7% in the digital and telecom sector. The size of companies also plays a role. In companies with up to 500 employees, less than 28% of the people are temporarily unemployed, whereas in those with more than 500 employees, this figure is 60%. Furthermore, 57% of the companies say that they are not experiencing any problems with supply.

The survey was conducted by telephone between 20 and 26 March among 190 technology companies, 65% of which were in industry and 35% in wholesale and services. Together, they account for some 27% of the employment and 31% of the turnover in the technology sector in Belgium. Agoria will repeat the survey every two weeks as a snapshot.

You can read the full results here ([FR](#) – [NL](#))

About Agoria

Agoria, the Belgian federation for the technology industry, has more than 1950 member companies and offers its services to all those who are inspired by technology. The technology sector is, in Belgium, the sector with the highest added value (30 billion euros in 2019) and the highest real growth (11.5% since 2015). More than 310,000 people work in the technology sector. In 2019, the sector's turnover amounted to 129 billion euros and investments to 4 billion euros.

Agoria's services and positions cover talent management policy, market development, regulation, digitalisation, intelligent ecosystems, infrastructure, manufacturing, climate, environment and energy. With "Be the change", Agoria is strongly focusing on the beneficial effects of digitalisation on the labour market. Agoria employs around 200 people in Brussels, Antwerp, Ghent, Liège and Charleroi. More information on www.agoria.be.